

THE GAO REPORT

ONLY ONE TANKER PASSED THE TEST.



THE BOEING KC-767.

SUDDENLY, IT ALL ADDS UP.

On June 18, the Government Accountability Office (GAO) sustained Boeing's protest challenging the selection of the Northrop Grumman/European Aeronautic Defence and Space Company (EADS) KC-30 for the U.S. Air Force KC-X tanker contract. Based upon the strong recommendation of the GAO, which cited numerous errors in both the process and evaluation that clearly invalidated the outcome, the Department of Defense reopened the competition for this critical program. In upholding Boeing's protest, the GAO concluded:

- ✓ The KC-X acquisition process was flawed by "significant errors" that invalidated the award decision.
- ✓ Boeing's proposal was evaluated as "satisfying significantly more" technical requirements than Northrop Grumman/EADS.
- ✓ Had it not been for the numerous errors in process and evaluation, Boeing had a "substantial chance of being selected for award."
- ✓ Boeing offered the lowest most probable life cycle cost to the government. Furthermore, the GAO Report states that "the agency's selection of Northrop Grumman's proposal as reflecting the best value to the government was undermined by a number of prejudicial errors..."
- ✓ Only the Boeing KC-767 met all mandatory mission requirements. Northrop Grumman/EADS did not establish that the KC-30 met the requirement to refuel "all current U.S. Air Force fixed-wing tanker-compatible receiver aircraft," a key performance measure.
- ✓ Only Boeing satisfied the "material" requirement for initial depot maintenance. Northrop Grumman/EADS "explicitly" refused to meet this requirement. According to the GAO, this alone should have made them ineligible for the contract.

The facts are now clear. The Boeing KC-767 delivers more capability to the warfighter at the lowest total cost to the taxpayer.

